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Short-Term Rentals Permitting Process

The City of Milwaukie allows short-term and vacation rentals in residential areas within the City limits. Registration and permitting requirements for short-term rentals are outlined below. Vacation rentals (rental units where the owner or resident does not occupy the property) are permitted under a different process. For vacation rentals please contact a planner at 503.786.7600 or <u>planning@milwaukieoregon.gov</u>.

Taxes and Fees

- Short-term rentals are considered a type of home occupation. Business registration and fee payment are required for businesses operating in the City of Milwaukie, including short-term rentals. The current business tax fee is located on page 8 of the City Master Fee Schedule.
- Registration is effective January 1 through December 31 and must be renewed annually. The current fiscal year Master Fee Schedule can be accessed here: <u>https://www.milwaukieoregon.gov/finance/fees-charges</u>
- In addition, a building permit will need to be obtained to ensure that the property meets minimum fire and life safety standards. This permit is for a site inspection by the building department. A fee in the amount of a minimum building permit fee is charged for this permit fee and the permit processed as a **building permit** even though building and construction is not necessarily required.

Application Process

To register your short-term rental business:

- 1. Submit an application and appropriate fee to the Finance Department, here: <u>https://milwaukie.govbuilt.com/Login?ReturnUrl=/AdvancedForms/Business-Registration-Application</u>
- 2. Finance will process the application and forward the application to the Planning Department to check the zoning for the property.
- 3. To initiate the building permit, complete and submit a Building Permit application for review (see below)
- 4. Once the permit is issued and the inspection is successfully completed, a business registration certificate will be sent to you indicating the business is approved.
- 5. An annual registration renewal notification will be sent each year in early December. Annual inspections are not required.

Building Inspection Submittal Requirements

- When you fill out the Building Permit application initiating the inspection process (<u>www.milwaukieoregon.gov/building/building-permit</u>)complete the description of work, job site, and property owner information sections. For the description of work, be specific and describe the portion of the house to be rented.
- Provide a site and floor plan indicating which portion of the building is proposed for rent. The floor plan should show all exits including egress windows and doors specific to the portion of the building for rent. Legal egress window requirements can be found here: www.milwaukieoregon.gov/building/converting-attics-basements-and-garages-living-space.
- You will pay the fee at the time of issuance. Upon issuance of the permit, you can then schedule an inspection to assure the areas being rented meet current building code for legal egress.

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- If building or fire code issues are identified during the inspection, you will either be asked to
 modify your application or make the necessary building improvements. If building improvements
 are required, you may need to apply for building permits for the changes.
- Building Department hours are Monday-Wednesday 9am-12pm and 1pm-3pm, and Thursday-Friday 8:30am-12:30pm. For questions, call 503.786.7623. If you have questions about planning issues or the home occupation standards, contact the Planning Department.

A Guide to Short-Term Rentals

What is a Short-Term Rental?

A short-term rental is a housing unit, an accessory dwelling unit (ADU), or room(s) within a housing unit that is rented out for lodging for a period of less than 30 days in length. It is an accessory use to a primary residence and allowed as a home occupation where the residence must be occupied by the owner or operator for a minimum of 270 days per year. A short-term rental may be hosted or unhosted (where the primary occupants vacate the unit or site during the rental period). For hosted rentals, occupancy is limited to no more than 2 different parties per site at a time. For unhosted rentals, occupancy is limited to 1 rental party per site at a time. Short-term rental operators may offer meals to lodgers.

Base Zone	Short-Term Rental	Vacation Rental	Bed and Breakfast	Hotel and Motel
Low Density Residential				
R-MD	Р	CU	CU	Ν
High Density Residential				
R-HD	Р	CU	CU	CU
Mixed Use Zones				
GMU and NMU	Р	Р	Р	Р
DMU	Р	CU	Р	Р
Commercial Zones				
C-L	Р	Р	Р	CU
C-G	Р	Р	Р	Р
P – Permitted Outright; CU – Con	ditional Use; N – Not Pe	ermitted/Prohibited	•	•

Allowed Uses by Base Zone

Definitions per MMC Section 19.201

- Vacation Rental: A housing unit that is rented out to a single party for a period of less than 30 days in length where there are no primary occupants or where the residents who occupy the unit do so for less than 270 days per year. A vacation rental's primary use is more commercial in nature than a short-term rental.
- **Bed and Breakfast:** A hosted form of commercial lodging within a residence. It is like a short-term rental, but where on any given evening, lodging rooms are available for rental or rented by three or more different parties. Generally, some food service is provided with lodging.
- **Hotel:** A commercial building or portion thereof designed or used for occupancy of transient individuals who are lodged with or without meals, and in which no provision is usually made for cooking in any individual room or suite.
- **Motel:** One or more commercial buildings designed or used as temporary living quarters for transient individuals.

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